



# Washington State Department of Agriculture News Release

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WASHINGTON STATE DEPARTMENT OF AGRICULTURE

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## **Hop growers may vote on special assessment to fund acreage set-aside program**

OLYMPIA – Hop growers are getting the news this week that the state Department of Agriculture is tentatively planning to conduct a referendum on whether or not to establish a special assessment to raise \$2 million to pay producers to remove up to 25 percent of the hop acreage from production this year. The tentative decision was based on public comments and testimony received by the department in conjunction with an April 9 public hearing on the proposal.

A group of growers petitioned the Washington Hop Commission to put a set-aside program in place. Under the proposal, the commission would pay growers to set aside existing hop acreage this year. The program would be financed by a one-year special assessment that would bring in 5 cents per pound, or \$10 per 200-pound bale of hops. This would be in addition to the current \$2.50 per bale assessment used to carry out the Hop Commission's programs for research, grower education and market promotion that support the state's hop industry.

Participation in the set-aside program would be voluntary. The Hop Commission would use the special assessment funds to pay producers about \$300 per acre to set aside or remove acreage from production this crop year. The goal is to bring hop supplies into alignment with lower demand in an oversupplied world market.

Some 60 Washington growers in Yakima and Benton counties dominate the hop market with more than 75 percent of U.S. production. Hop acreage and farmgate values dipped last year to some 26,000 acres valued at \$92.9 million, down from nearly 27,000 acres and \$95.1 million in 2000. Growers are working with the U.S. Department of Agriculture to re-establish a federal marketing order that could include limits on hop production to maintain stable prices.

To put the set-aside program and special assessment in place requires the approval of the affected growers by referendum vote. Growers have until May 23 to comment on the tentative decision. A final decision on whether to conduct a referendum will be made by May 30. If held, the referendum would be conducted in June.

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